

LDS Family Services (UK) Limited
(A limited company and registered charity)

Annual Report and Financial Statements

Year ended 31 December 2010

Company number: 1346482

Charity number 275643



LDS Family Services (UK) Limited

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LDS Family Services (UK) Limited

Report of the trustees for the year ended 31st December 2010

The trustees are pleased to present their report together with the financial statements of the Charity for the year ending 31st December 2010

Legal and administrative details

Charity number 275643

Company number 1346482

Principal Office 751 Warwick Road, Solihull, West Midlands, B91 3DQ

Independent Examiner	Paul Stobbs Chartered Accountant	1 Summer Hollow, Broadmore Green, Rushwick, Worcester WR2 5TE
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Bankers	HSBC	34 Poplar Road, Solihull, West Midlands, B91 3AF
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Solicitors	Devonshires	Salisbury House, London Wall, London, EC2M 5QY
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Directors and trustees

The directors of the charitable company ("the Charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees

The trustees serving during the year and since the year-end were as follows

Dennis R Lifferth

Gregg Reeves

Rainer Wiborny

Structure, Governance and Management

Governing Document

LDS Family Services (UK) Limited is a limited company and a registered charity. The Charity is governed by its Memorandum and Articles of Association.

Appointment of trustees

As set out in the Articles of Association, new or additional directors are to be appointed by the shareholder (LDS Family Services Utah), providing such persons are willing so to act either to fill a vacancy or as an additional trustee.

The shareholder will also determine the rotation and time in which trustees are to retire. Currently no term is fixed to the term served. Trustees shall not be less than two or more than seven in number.

The Shareholder may, from time to time, vary the minimum or maximum number of directors.

Trustee induction and training

New trustees undergo an orientation day to brief them on their legal obligations under Charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the Charity.

During the induction day they meet key employees and other trustees. Trustees are updated and advised on legal issues by Devonshires Solicitors.

Organisation

The board of trustees administers the Charity. The board meets at least once a year. Reports are received in or around each October for the following financial year from the heads of each department for approval by the trustees. In or around March each year each department gives a report on the previous year.

The trustees monitor progress throughout the year and other trustees meetings are held as and when required.

Employees

The Charity has the policy of ensuring that its employees are those that are able to meet the necessary requirements of their position and are up to date on any developments required for their position. This is achieved in a variety of ways:

- Applications for new positions in the Charity are invited from anyone with the relevant qualifications - the key emphasis is on their ability to meet the requirements of the position although the application form does request the applicant to mention if they have any illnesses or medical condition which the employer would need to be aware of in order to make reasonable adjustments should they be successful.
- The Charity utilizes regular staff meetings during the year which help to ensure that the employees' input is received regarding any decisions which affect their interests. In addition there are websites and e-mail facilities available to enable more effective communication and training. This helps to ensure that employees receive systematic updates on matters concerning them as employees and ensures their involvement in relation to the financial and economic factors that affect the performance of the Charity.

- In addition to the above points the Charity is mindful of the need to cater for those with disabilities. Where any employees become incapacitated during their employment they are entitled to receive long term disability benefits from the Charity. Where an employee becomes disabled but not incapacitated the employer will make any reasonable adjustments necessary. On training and career development issues, there is no distinction made between disabled and non-disabled employees. The same opportunities are available to all staff, irrespective of disability. The key emphasis is on technical ability of each employee.

Related parties

None

Risk management

Financial risk

The following statements summarize the Charity's policy in managing identified forms of financial risk

- Price risk – Salary costs are communicated to staff during the formal annual review of salaries
- Credit risk – Credit risk on amounts owed to the Charity by its customers is low as the majority of its debtors are those who have been used frequently by the Charity in the past and have a proven reliability
- Liquidity risk – The Charity has no long-term borrowings. Assurances of continuing financial support have been received from the parent company
- Interest rate cash flow risk – The Charity is able to place surplus funds on short term deposit with the company's bankers

In addition the trustees have a risk management strategy which comprises

- An annual review of the risks the Charity may face,
- The establishment of systems and procedures to mitigate those risks identified in the plan, and
- The implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise

Objectives and activities

The objects for which the Charity is established are -

- To further charitable purposes in harmony with the principles and objectives of The Church of Jesus Christ of Latter-day Saints (hereinafter called "the Church") in the United Kingdom and elsewhere
- To provide professional, clinical, health and other similar or related services to members of the Church and others, and further to assist such persons to pursue a course of life consistent with the principles and objectives of the Church

To achieve this, the Charity offers public benefit by working in three key areas

Counselling

The Charity offers a counselling service for groups or individuals on a variety of issues. Typically the various issues relate to family, parental and marriage relationships, physical or emotional abuse, addiction issues, behaviour problems, co-dependence, depression, disabilities and chronic illness.

In addition the Charity will, when requested, assess missionaries before they begin their assignment to advise whether their call is suitable for them. In this activity it will deal with people with Autism, anger issues, Asperger's Syndrome etc.

These sessions are conducted in the Charity's offices, at home or local chapels and will last 50-60 minutes. They are available to both members and non-members of the Church. Such sessions

would cost £55-90 in the private sector. However, the Charity subsidises such sessions by charging just £30. The Charity ensures that no-one who is unable to afford these subsidised fees is refused counselling. As a result, 60-70% of those who undertake the counselling will pay nothing or a reduced fee.

Ecclesiastical Training

The Charity undertakes the training of ecclesiastical leaders in the Church throughout the UK on mental health issues that arise in the course of their duties. They can then pass on this training to others as appropriate. The areas of current focus in training centre around dealing with depression, anxiety, stress and self esteem issues.

No charge is made for these activities.

Consultations

The Charity operates a telephone helpline for ecclesiastical leaders in the UK. Regular calls are received and advice is given on how to deal with issues relating to the kind of areas described above.

Public benefit

The trustees have read and given due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

Achievements and performance

In 2010 the Charity operated with 2 full-time counsellors & one senior practitioner. All of them were given targets that were exceeded.

All counsellors were also able to undertake consultation sessions with ecclesiastical leaders throughout the UK and Ireland advising them on dealing with issues affecting their congregations. A total of 27 of such meetings were held throughout the year.

Counsellors were also able to advise ecclesiastical leaders of the Church on mental health issues affecting both members and non-members in the local congregations. A total of 17 presentations were made during the year.

There were 26 Addiction Recovery support groups organised by the end of 2010.

5 regional volunteer groups for the UK and Ireland have continued to promote the Charity's services.

Financial Review

Each year the trustees carry out a detailed review of each department of the Charity. They review the previous year's achievements and review and approve the budgets for next year.

The end of the year saw an overall increase in both incoming resources and resources expended, leaving an overall increase in reserves of £9,468.

This was largely due to a donation received from its parent company of £158,049. The other incoming resources comprised of family counselling services (£55,003) and profit on fixed asset disposals (£7,188).

Resources expended increased from £207,135 in 2009 to £210,772 in 2010.

Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the trustees deem to be in the best interests of the Charity. There were no investments to report of in the company for the year.

Reserves policy

The trustees have established the level of reserves (that is, those funds that are freely available) that the Charity ought to have. Reserves are needed to bridge any funding gaps between incoming resources and resources expended. The trustees' policy is to hold the equivalent of approximately 12 months expenditure in reserves.

The actual reserves at 31st December 2010 were £161,236 which is £49,536 short of our target based on resources expended in 2010.

Plans for future periods

In 2011 the Charity will continue operating with 2 full-time counsellors and one full-time senior practitioner.

The Addiction Recovery Program will continue to expand to all stakes in the UK, as will Strengthening Marriage and Families courses.

1 further regional group is planned to be organised in Ireland to make members of the Church aware of the services offered by the Charity.

Trustees' responsibilities in relation to the financial statements

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the Charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the trustees are required to

- Select suitable accounting policies and then apply them consistently,
- Make sound judgements and estimates that are reasonable and prudent, and
- Prepare the financial statements on the going concern basis as long as it is appropriate to presume that the Charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enables them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

As the charitable company was entitled to avail of audit exemptions under section 477 of the Companies Act 2006, no audit was required for the accounts.

By order of the trustees


Gregg Reeves

Chairman

Date 22/3/2011

Independent Examiner's Report on the Accounts

LDS Family Services (UK) Limited

for the year ended 31st December 2010

Respective responsibilities of trustees and examiner

The directors also act as trustees for the charitable activities of LDS Family Services (UK) Limited

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed

It is my responsibility to

- a examine the accounts under section 43 of the 1993 Act,
- b to follow the procedures laid down in the general Directions given by the Charity Commission (under section 43(7)(b) of the 1993 Act, and
- c to state whether particular matters have come to my attention

Basis of independent examiner's statement

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below

Independent examiner's statement

In connection with my examination, no matter has come to my attention

(1) which gives me reasonable cause to believe that in any material respect, the requirements

- i To keep accounting records in accordance with section 41 of the 1993 Act, and
- ii To prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

Signed



Name Paul Stobbs
Professional
Qualification Associate, Institute of Chartered Accountants in England & Wales
Address 1 Summer Hollow
Broadmore Green
Rushwick
Worcester
WR2 5TE

Date

LDS Family Services (UK) Limited

Statement of financial activities

for the year ended 31st December 2010

	<u>Notes</u>	<u>2010</u> £	<u>2009</u> £
Incoming resources			
<i>Incoming resources from generated funds:</i>			
<i>Voluntary Income</i>			
Subsidy from parent company		158,049	183,197
<i>Incoming resources from charitable activities.</i>			
Family counselling services		55,003	51,402
<i>Other incoming resources</i>			
Gain on disposal of fixed assets		7,188	3,310
Total incoming resources		<u>220,240</u>	<u>237,909</u>
Resources expended			
<i>Charitable activities</i>			
Provision of family counselling services	4b	209,372	205,760
<i>Governance costs</i>	4c	1,400	1,375
Total resources expended		<u>210,772</u>	<u>207,135</u>
Net Incoming resources		9,468	30,774
Fund balances brought forward at 1 January 2010		151,768	120,994
Fund balances carried forward at 31 December 2010		<u>161,236</u>	<u>151,768</u>

The Statement of Financial Activities constitutes an Income and Expenditure account for the purposes of the Companies Act 2006

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Statement of Financial Activities

The result for the year arises from the company's continuing activities

The notes on pages 11 to 14 form part of these financial statements

LDS Family Services (UK) Limited

Balance Sheet as at 31st December 2010

	<u>Notes</u>	<u>2010</u>	<u>2009</u>
		£	£
FIXED ASSETS			
Tangible assets	5	27,825	4,208
CURRENT ASSETS			
Debtors	6	6,255	9,670
Cash at Bank and in hand		153,360	138,395
		<u>159,615</u>	<u>148,065</u>
CREDITORS			
Amounts falling due within one year	7	<u>(26,104)</u>	<u>(405)</u>
NET CURRENT ASSETS		133,511	147,660
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>161,336</u>	<u>151,868</u>
CAPITAL AND RESERVES			
Called up share capital	8	100	100
Unrestricted income funds			
General		161,236	151,768
SHAREHOLDERS' FUNDS - UNRESTRICTED	9	<u>161,336</u>	<u>151,868</u>

Audit Exemption Statement

For the year ending 31 December 2010 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

Directors' responsibilities

* the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,

* the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts,

* these accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

Approved by the board on

22/3/2011

Gregg Reeves
Chairman

The notes on pages 11 to 14 form part of these financial statements

LDS Family Services (UK) Limited

Financial statements for the year ended 31st December 2010

Accounting policies

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with the Charities (Accounts and Reports) Regulations October 2005, the Statement of Recommended Practice "Accounting and Reporting by Charities" and under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom.

ACCOUNTING CONCEPT

The company's basis of accounting is that income is recorded on the accruals basis. Expenditure is recorded on a cash basis but modified for certain items of accrued expenditure. The effect of not preparing financial statements fully on the accruals basis is not considered by the directors to be material.

FRS 18

The directors have reviewed the accounting policies and confirmed that they are the most applicable.

DEPRECIATION

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows -

Motor vehicles	over 4 years
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Assets with a cost below £5,000 are not capitalised

TURNOVER

Turnover represents the amount billed for services provided. The directors consider that an analysis of the turnover by class of business and geographical area is not appropriate and any other breakdown would be prejudicial.

CASH FLOW STATEMENT

No cash flow statement has been prepared as the company meets the small company exemption limits as defined by s477 of the Companies Act 2006.

LDS Family Services (UK) Limited

Financial statements for the year ended 31st December 2010

Accounting policies

PENSION CONTRIBUTIONS

The costs of providing pensions is calculated using actuarial valuation methods which reflect the long-term costs of providing such pensions

For defined benefit schemes the regular cost of providing for pensions is calculated so as to produce a substantially level percentage of the current and estimated future pensionable payroll, variations from the regular cost so calculated are allocated to the income and expenditure account over the average remaining service lives of employees

The company has adopted the transitional arrangements of FRS17 "Retirement Benefits" for the year ended 31 December 2010. The disclosures required by this standard are shown in note 13. As permitted by its transitional arrangements, figures arising under the standard have not been reflected in the financial statements

LDS Family Services (UK) Limited

Notes to the financial statements

for the year ended 31st December 2010

1 Turnover

The company's turnover and result before taxation were derived from charitable work performed in connection with its principal activity

The company's turnover was wholly earned within the United Kingdom

	2010 £	2009 £
2 Result for the year		
This is stated after charging -		
Depreciation on owned assets	9,275	16,049
Independent examiner's remuneration	400	375
Profit on disposal of tangible fixed assets	7,188	3,310

3 Employees

The average weekly number of persons (including directors) employed by the company during the year was

	2010 No	2009 No
Counsellors	3	3

	2010 £	2009 £
Staff costs for the above persons		
Wages and salaries	125,162	123,580
Social security costs	18,231	15,395
Other pension costs	22,668	21,479
	166,061	160,454

No employee earned in excess of £60,000 during the year

DIRECTORS REMUNERATION

None of the directors who served during the year ended 31 December 2010 received remuneration from this company, nor was any charge made to the company for their services by any other group company. Additionally no director received reimbursement for expenses incurred during the year.

LDS Family Services (UK) Limited
Notes to the financial statements
for the year ended 31st December 2010

4a Analysis of charitable activities

	Total 2010 £	Total 2009 £
Provision of family counselling services	209,372	205,760

4b Charitable activities allocation

	Charitable activities £	Support Costs £	Total Costs £
Salaries and wages	124,162	-	124,162
Employee benefits	40,899	-	40,899
Travel	23,309	1,000	24,309
Materials and supplies	500	1,092	1,592
General and Admin	-	8,025	8,025
Equipment maintenance	-	1,110	1,110
Depreciation	-	9,275	9,275
Total	188,870	20,502	209,372

All of the above support costs entirely relate to the provision of counselling services

4c Governance costs

	Total £
Accounting costs	1,400
Total	1,400

5 Tangible fixed assets

	Motor Vehicles £
<i>Cost</i>	
1 January 2010	49,683
Disposals	(49,683)
Additions	37,100
31 December 2010	37,100
<i>Accumulated Depreciation</i>	
1 January 2010	45,475
Depreciation on vehicles sold	(45,475)
Charge for the year	9,275
31 December 2010	9,275
<i>Net Book Value</i>	
31 December 2010	27,825
31 December 2009	4,208

LDS Family Services (UK) Limited

Notes to the financial statements

for the year ended 31 December 2010

6 Debtors	2010	2009
	£	£
<i>Due within one year</i>		
Sundry debtors	6,255	9,670
	<u>6,255</u>	<u>9,670</u>
	<u><u>6,255</u></u>	<u><u>9,670</u></u>
7 Creditors	2010	2009
	£	£
Creditors and accruals	26,104	405
	<u>26,104</u>	<u>405</u>
	<u><u>26,104</u></u>	<u><u>405</u></u>
8 Share capital	2010	2009
	£	£
Authorised		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
Allotted, issued and fully paid		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
	<u><u>100</u></u>	<u><u>100</u></u>
9 Reconciliation of movement in shareholders' funds - unrestricted		
	2010	2009
	£	£
Result for the financial year	9,468	30,774
Opening shareholders' funds	151,868	121,094
	<u>9,468</u>	<u>30,774</u>
Closing shareholders' funds	<u>161,336</u>	<u>151,868</u>

Shareholders' funds are entirely attributable to equity interests

LDS Family Services (UK) Limited

Notes to the financial statements

for the year ended 31 December 2010

10 ULTIMATE HOLDING COMPANY

The company is owned by LDS Family Services (Utah), a company incorporated in USA

The ultimate holding company and controlling party is The Corporation of The Presiding Bishop of The Church of Jesus Christ of Latter-day Saints, a corporation incorporated in the state of Utah in the United States of America

Assurances of continued financial support have been received from LDS Family Services (Utah)

11 RELATED PARTY TRANSACTIONS

During the year the company received a subsidy of £158,049 from The Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-day Saints

The company is provided with offices rent free by The Church of Jesus Christ of Latter-day Saints (Great Britain) a fellow subsidiary solely owned by The Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints.

12 FUTURE FINANCE

The Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-day Saints has confirmed that it will continue to provide the funds to support the company's future activities

13 Pension and other post employment commitments

The Company participates in a pension scheme operated by the Church of Jesus Christ of Latter-day Saints (Great Britain), the Deseret UK Benefit Plans ("The Plan") The scheme is of the defined benefit type and is funded by contributions from the participating companies and their employees at rates determined by independent actuaries in the light of regular valuations. Such contributions are held in trustee-administered funds completely independent of group finances. Full disclosure of the valuation is shown in the accounts of The Church of Jesus Christ of Latter-day Saints (Great Britain)

The company has accounted for the scheme as if it was a defined contribution scheme because it is not feasible to split the assets and liabilities of the scheme between all the companies whose employees are members. Contributions to the scheme for the year were £22,668 (2009 £21,479)